

1.941  
S 8A982  
cop. 2

U.S. DEPT. OF AGRICULTURE  
LIBRARY

APR 23 1962

FOR RELEASE  
OCTOBER 23, P.M.

# AGRICULTURAL OUTLOOK DIGEST

ECONOMIC RESEARCH SERVICE • U. S. D. A. • WASHINGTON, D. C. AOD-82 OCTOBER 1961

During the feeding year now starting, the Feed Grain Program is expected to reduce moderately the carryover of feed grains. This would be the first reduction in feed grain stocks since 1952.

Total feed grain production, based on October 1 indications, will dip about 17 million tons below the 155 million ton record of 1960. Less of a decline in feed grain prices is expected this fall than last, when prices dropped 13 percent from September to November.

SOYBEANS--The soybean crush during 1960-61 is placed at a record 405 million bushels. Contributing factors were (1) New high in domestic disappearance, (2) Heavy feeding of soybean meal, (3) Large exports of soybean oil....Another record crush is in prospect for 1961-62.

Soybean supplies in 1961-62 are estimated at 715 million bushels--up 133 million from 1960-61. This supply increase is not expected to be matched by demand, probably resulting in a stock buildup by October 1, 1962.

Farmers' prices during the heavy fall harvesting season will probably drop a little below the average support rate of \$2.30 per bushel. After harvest, they are likely to return to the loan level.

CATTLE--Commercial beef production for the rest of 1961 is likely to average a little above year-earlier levels. Cattle prices probably will remain steady in the last quarter, averaging somewhat below the \$19.50 per hundred pounds received by farmers a year ago.

HOGS--Hog slaughter turned up seasonally in September, moving ahead of last September .....Slaughter is expected to continue heavy for the next few months as the larger spring pig crop is marketed. Hog prices worked lower than a month earlier during October. Increased weakness is likely in November with prices averaging somewhat below the \$16.60 per hundred pounds received by farmers a year ago.

POULTRY--The outlook for broilers: Continued large production and low prices. The mid-September U. S. average price at 11.7 cents per pound was 1.3 cents below a month earlier, 4 cents below a year earlier, and the lowest mid-month average price ever reported. Prospects for significant price increases in coming months are slight since volume of marketings through November and into December will remain close to last year.



TURKEYS--Turkey prices during the upcoming heavy marketing season will reflect the large supply. This year's crop of 107 million turkeys raised is 26 percent larger than last year's record. Mid-September prices received by producers at 18.4 cents a pound were 6 cents below last year. In the second week of October, toms in Iowa were selling at 14 cents a pound and hens, 16 cents. These prices were about 10 cents below a year earlier.

EGGS--Monthly egg output is expected to exceed year-ago levels during the fall and winter. The increase will be mostly from higher rates of lay per bird; by the turn of the year, the size of the flock will be about the same as last year. Prices through the first quarter of 1962 probably will run below those of a year earlier.

DAIRY--Milk production per cow since May has steadily moved above 1960 rates. Contributing to this are above-average pasture conditions and a sharp increase in the amounts of concentrates fed to milk cows. The step-up in per cow output is showing up in higher total milk production. Milk production for 1961 will be about 2 billion pounds above the 122.9 billion of 1960, approaching the 1956 record of 124.9 billion pounds.

The dairy situation this year has been marked by the increased production of milk, combined with a decline in utilization of fluid milk and butter from commercial channels. This has contributed to a doubling of price support purchases this year as compared with last.

FRUIT--Production estimates for (early, mid-season, and Navel) oranges in the current marketing year indicate a crop about 3 percent larger than last year. Output is expected to increase the most in Florida, but small to moderate increases are in prospect in Arizona and Louisiana. California output is expected to be below a year ago.

VEGETABLES--Supplies of fresh vegetables for fall harvest, as of early October, are slightly smaller than a year ago. Celery, carrots, and early fall tomatoes are likely to contribute most to the decline. But larger output than a year earlier is expected for snap beans, lettuce, sweet corn, and egg plant.

Production of fall potatoes, at 194 million hundredweight, is the highest on record, surpassing last year's total by 11 percent. Most of the increase comes from the 9 Western States. Heavy supplies are resulting in depressed prices to growers.

COTTON--The 1961 cotton crop, estimated at 14.3 million running bales, is slightly above last year's harvest. Disappearance is currently indicated at about 14.5 million bales, leaving a carryover on August 1, 1962, close to the 7.2 million of 1961.

